

BUILDING A BETTER BLOOMINGTON

ABOUT THIS REPORT

THE CITY COUNCIL PRESENTS THIS CORPORATE report of financial and related information to show how Bloomington's city government performs. This publication does not include Housing and Redevelopment Authority or Port Authority budgets.

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Comprehensive Annual Financial Report

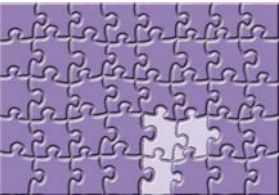
The City of Bloomington reports financial year-end results in the more than 150-page *Comprehensive Annual Financial Report* (CAFR). This popular report summarizes the most significant data from the 2005 CAFR and the 2006 Annual Budget, and is consistent with Generally Accepted Accounting Principles. The report reflects the net tax cost by service expenditure developed by crediting related revenues against appropriate expenditures and allocating local taxes against the remaining balance.

The City of Bloomington Corporate Report to the Community is unaudited. This popular report format has been used for the past seven years and is also available on our Web site at www.ci.bloomington.mn.us.

For a complete review of the City's financial position for 2005, consult the 2005 CAFR, available from the Hennepin County Library, Bloomington Finance Department or the City's Web site. For more information on the 2006 Annual Budget, visit the City's Web site or call 952-563-8790.

WHAT DO YOU THINK?

DIRECT COMMENTS AND SUGGESTIONS to the Finance Department, phone: 952-563-8790, e-mail: finance@ci.bloomington.mn.us. Visit www.ci.bloomington.mn.us to find out more about City services.



CAPITAL PROJECTS

CAPITAL PROJECTS PURCHASE AND IMPROVE MAJOR assets such as land, structures, equipment and streets.

2005 EXPENDITURES	2006 BUDGET
\$20,930,838	\$8,415,075

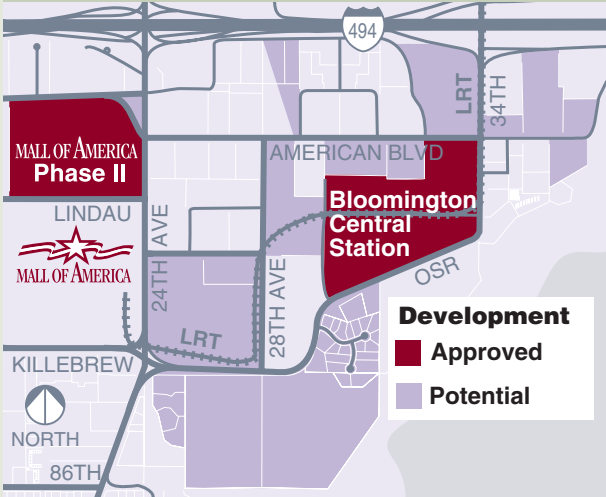


GROWTH IN AIRPORT SOUTH PLANNING AND INVESTMENTS CREATE DYNAMIC DISTRICT

Over the past 25 years, proactive planning and public investment have set the stage for additional growth in the Airport South District. A comprehensive plan is in place to encourage future development that will increase employment and housing, create opportunities to diversify and expand the City's tax base, and transform the Airport South District into a higher-density, mixed-use area.

Assistant City Manager Clark Arneson said the high-intensity development with high-density residential uses will create a dynamic environment.

"When all phases of Bloomington Central Station and the Mall of America's expansion projects are completed and combined with the Mall's Phase I, the total value will be \$2.5 billion," Arneson said. "Bloomington will have the base for a third urban center in the metropolitan area."

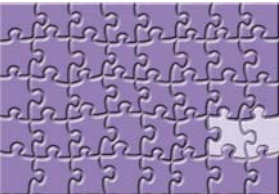


AIRPORT SOUTH PROJECT

More than \$85 million has been budgeted over the next five years for infrastructure improvements in the Airport South development district. The project is being funded from business tax revenues and is in the first year of a revised 10-year program. Anticipated 2006 capital expenditures total \$6.9 million, including \$1.8 million for storm water pond improvements and \$5.1 million for road improvements. An additional \$50,000 for maintenance costs will be included in the operating budget.

PAVEMENT MANAGEMENT PROGRAM

The Pavement Management Program is a funding and implementation plan for repair, maintenance and reconstruction of Bloomington roadways. Identified needs are funded through state aids, assessments and an annual levy. To maximize efficiency, the most opportune time to repair streets is calculated and the funding needs are levied over several years. Approximately \$5.2 million is budgeted for program expenditures in 2006.



DEBT SERVICE

MANY COMMUNITY NEEDS MUST BE MET BY THE CITY OF BLOOMINGTON, INCLUDING STREET AND infrastructure work, construction projects and equipment purchases. The City's ability to issue future debt at lower interest rates will provide for our community's upkeep and renewal without substantially increasing property taxes for debt service.

2005 EXPENDITURES	2006 BUDGET	AVERAGE NET PROPERTY TAX COST PER MONTH
\$8,486,198	\$5,117,807	\$4.73 See page CR2.

OUTSTANDING DEBT

The City's total outstanding debt on December 31, 2005, was \$40.6 million. The City's net debt per capita is \$360. See right. The total legal debt limit for Bloomington is \$207 million. More than half of Bloomington's debt will be paid off in 10 years – a sign of a strong financial organization.

The Port Authority has outstanding debt of \$44.6 million which will be paid off from TIF revenues and the local liquor and lodging taxes.

CITY OF BLOOMINGTON BONDS

General Obligation (G.O.) Bonds	\$7,485,000
G.O. Improvement Bonds	22,880,000
G.O. Tax Increment Bonds	8,210,000
Enterprise Fund Revenue Bonds	2,035,000
TOTAL	\$40,610,000
Less: Funds on hand	(9,824,240)
TOTAL NET DEBT	\$30,785,760
NET DEBT per capita	\$360
PORT AUTHORITY BONDS	
Special Tax Revenue Refunding	\$36,900,000
Lease Revenue Bonds	7,735,000
TOTAL	\$44,635,000

